

**Police Pension Fund
Board Minutes
Of
April 12, 2007**

PRESENT: David M. Cituk, Ryan Hottenstein, William Heim, Michael Fizz,
Louis Rizzuto (Solicitor), Kristi Gage (HR Coordinator)

ABSENT: Thomas M. McMahon, Kevin L. Rudy

ORDER: Meeting was called to order by David M. Cituk @ 10:15 A.M.

PRESENTER: **1. Roger Barilani – Wachovia Securities**
Kurt Saeger – Wachovia Securities
Re: Proposal of Allocations

Mr. Barilani and Mr. Saeger presented the Board with his proposal of asset allocations. Mr. Barilani informed the Board that the current value of the portfolio is \$76.1 million. The current market conditions display slow growth in the U.S., meanwhile overseas the market conditions display moderate growth. The proposed asset allocation would advise that the Board take 5% from each Equity Manager, and change it to 10% in a small Mid Cap Core and 10% in an International Core. Mr. Barilani recommends that the Board use either Eagle Asset or Fred Alger as a Small/Mid Cap Manager. Mr. Barilani recommends that the Board use either Alliance Bernstein or Wentworth International as an International Manager. Mr. Barilani is willing to set up interviews for all the Money Managers for the Board. Kurt Saeger's recommendation to the Board includes Small/Mid Cap, International and Indexes not to necessarily be more aggressive, but yet increasing the return of the portfolio and also reducing risk overall. Board member, Sergeant Fizz raised his concern with the D.R.O.P. funds not being deposited into the Wachovia account immediately and the discrepancy in how fast the funds are transferred into the individual D.R.O.P. accounts. He asked if there was any way to electronically handle the transfer of these funds. Mr. Barilani informed the Board that they can process every check, both D.R.O.P and Pension Benefits with no charge to the Board for this service.

MOTION by Fizz/Heim to make a decision by next (May) meeting on whether or not the Board will implement the program to use electronic transfer of D.R.O.P funds and to Pensioners...**MOTION PASSED UNANIMOUSLY**

MINUTES: **MOTION** by Fizz/Hottenstein to approve the minutes dated March 8, 2007 as presented**MOTION PASSED UNANIMOUSLY.**

**FINANCIAL
REPORTS:**

MOTION by Heim/Fizz to approve the following financial Reports ...**MOTION PASSED UNANIMOUSLY.**

Financial Report	March 2007
Statement of Transactions	March 2007

BILLS:

Board member Sergeant Fizz requested clarification of the charges on the current Invoice from Board Solicitor Louis Rizzuto regarding charges for 180 minutes for the Board meeting of March 8, 15 minutes for the meeting with Charles Younger on March 8, and 30 minutes for a meeting with Roger Barilani on March 8. Solicitor Rizzuto explained that he dedicated his whole morning for the Police Pension Board meeting and he bills for 180 hours whether the meeting is 40 minutes or 2 hours. This agreement with the Board goes back to 1996. Board member Chief Heim suggested that Solicitor Rizzuto come up with a set fee for the allotment of 180 minutes for the Police Pension Board meeting to include meeting with Roger Barilani, Charles Younger, Toyia, etc.

MOTION by Fizz/Heim to pay the following bills....**MOTION PASSED UNANIMOUSLY.**

1.	Louis Rizzuto	\$ 822.50
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APPLICATIONS:

MOTION by Hottenstein/Heim to approve the following application...**MOTION PASSED UNANIMOUSLY**

Name: Ruth M. O'Mara
Type: Surviving Spouse
Date: 3/07/07
Amt: \$1,175.68/Month

MOTION by Fizz/Hottenstein to approve the following application...**MOTION PASSED UNANIMOUSLY**

Name: Joseph Walsh
Type: Retirement
Date: 4/21/07
Amt: \$3,753.87/Month

D.R.O.P.

APPLICATIONS:

None.

REFUNDS:

None.

**CORRES-
PONDENCE:**

1. Civilian Buyback

MOTION by Fizz/Heim to accept the correspondence regarding request to buyback civilian time with no interest bearing on the funds paid into the Police Pension Fund...**MOTION PASSED UNANIMOUSLY**

Police Officer Stephen Anderson

Officer Anderson submitted a letter of intent to buyback five years of Civilian Service via payroll deduction of \$50.00 per pay.

Sergeant Eric Hartman

Sergeant Hartman submitted a letter of intent to buyback five years of Civilian Service via payroll deduction of \$50.00 per pay.

Police Officer David Liggett

Officer Liggett submitted a letter of intent to buyback five years of Civilian Service via payroll deduction of \$75.00 per pay.

Police Officer Jose Martinez

Officer Martinez submitted a letter of intent to buyback five years of Civilian Service via payroll deduction of \$100.00 per pay.

Sergeant Bruce Monteiro

Sergeant Monteiro submitted a letter of intent to buyback five years of Civilian Service via payroll deduction of \$10.00 per pay.

Sergeant John Pontician

Sergeant Pontician submitted a letter of intent to buyback five years of Civilian Service via payroll deduction of \$20.00 per pay.

Police Officer Patrick Santoro

Officer Santoro submitted a letter of intent to buyback five years of Civilian Service via payroll deduction of \$10.00 per pay.

Police Officer William Simmons

Officer Simmons submitted a letter of intent to buyback five years of Civilian Service via payroll deduction of \$25.00 per pay.

Police Officer James Thomas

Officer Thomas submitted a letter of intent to buyback five years of Civilian Service via payroll deduction of \$25.00 per pay.

Police Officer Timothy Moore

Officer Moore submitted a letter of intent to buyback five years of Civilian Service via payroll deduction of \$25.00 per pay.

Criminal Investigator Andrew Shearer

Investigator Shearer submitted a letter of intent to buyback five years of Civilian Service via payroll deduction of \$10.00 per pay.

Criminal Investigator Joel Avram

Investigator Avram submitted a letter of intent to buyback five years of Civilian Service via payroll deduction of \$25.00 per pay.

Citigroup Smith Barney Pension Seminar

A registration form was submitted to each Board member for the upcoming Pension Seminar to be held on Thursday, May 24, 2007 at the Holiday Inn in Fogelsville, PA.

OLD **BUSINESS:**

1. Military Buyback Update

The Police Pension Board is still awaiting a decision from City Council to amend the Police Pension Fund ordinance in order to correct the 15-7% to 15.7% typographical error.

2. D.R.O.P. Manual Update

Upon revision by Board Solicitor Rizzuto the D.R.O.P manual was distributed by Toyia to D.R.O.P. participants. Several discrepancies were brought to the Board's attention. The corrections will be submitted to Solicitor Rizzuto and then reprinted for distribution.

3. Academy Instructor Pay

The refund checks were processed and distributed to all employees who were eligible to receive a refund of pension contributions erroneously deducted from their Academy Instructor Pay.

4. Calendar Year

Pension Board Solicitor Lou Rizzuto spoke with City of Reading Managing Director Leon Churchill regarding the meaning of Calendar Year.

Mr. Churchill stated that as a part of a resolution of the grievance the administration is agreeable to the methodology of using a calendar year (1/31 – 12/31) to calculate pensions. The legal limits states that adjustments can be made 6 years prior to the date of the grievance.

5. Cost of Living Adjustment

The Pension Administrator is currently working with Milliman (Actuary) in providing information on the Police Pension Fund so that the actuarial study can be completed. Upon completion the Board will make a decision on whether or not a Cost of Living Adjustment will be issued.

6. Sergeant Mark Stump

Board member, David Cituk will research the discrepancy on the Plan Participant Report which does not show the individual contributions for the years 1980 and 1981.

NEW
BUSINESS:

Captain Edward Kosmerl

Re: D.R.O.P. Questions and Concerns

Captain Kosmerl has submitted an email regarding discrepancies between his records and what is being reported on his monthly statement from Wachovia Securities with regard to his D.R.O.P. account.

ADJOURNMENT: **MOTION** by Hottenstein/Fizz to adjourn @ 12:05 P.M.

Respectfully submitted _____
Pension Coordinator